



BILLING CODE 3510-DR P

U.S. DEPARTMENT OF COMMERCE

International Trade Administration

Automotive Trade Mission to New Delhi, Pune and Chennai, India

April 24 – April 30, 2014

AGENCY: International Trade Administration, Department of Commerce.

ACTION: Notice.

MISSION DESCRIPTION

The United States Department of Commerce, International Trade Administration, is organizing an automotive trade mission to India (New Delhi, Pune and Chennai), April 24-30, 2014. The purpose of the mission is to introduce U.S. firms to India's rapidly expanding automotive market. Many global automotive manufacturing companies such as Ford, GM, BMW, AUDI, Volvo, Renault, Hyundai, Daimler, and Nissan, among others, have established operations in India. The mission will assist U.S. companies to explore and pursue export opportunities in the Indian automotive sector. The mission to India will include representatives from leading U.S. companies that provide aftermarket, auto components, vehicle performance enhancement, automotive care, maintenance, service parts, accessories, testing and garage equipment product and services, and U.S. trade associations representing companies in these sectors. The mission will visit three cities, New Delhi, Pune and Chennai, where participants will receive market briefings and participate in customized meetings with key officials, trade and chamber associations, and prospective partners.

COMMERCIAL SETTING

The automotive industry is one of the most significant and growing sectors of the Indian economy. In 2012, India produced 20 million vehicles, making its passenger car and commercial vehicle manufacturing industry the sixth largest in the world. India's growth is driven by a young population and an expanding middle class with an extremely low rate of motor vehicle ownership. India is ranked 157th in the world in terms of vehicles per capita. Therefore, opportunities in automotive industries will continue to grow, and it is estimated that by 2016 the automotive market will reach the \$145 billion mark. To support and sustain the anticipated growth in the automotive industry, the Government of India (GOI) launched the "Automotive Mission Plan (AMP), 2006-2016." In the plan, the GOI has accorded the highest priority for the automobile and components industry sector.

The AMP envisions that India will emerge as the worldwide destination of choice for the design and manufacture of automobiles and auto components by 2016. The plan also projects the sales revenue of the automotive sector reaching \$122-159 billion by 2016 from \$34 billion in 2006. The GOI allows 100% foreign investment in the automobile and parts industry. The AMP is also a clear sign that the GOI considers the automotive sector to be very significant. U.S. companies could benefit from the unprecedented growth of this industry.

U.S. firms successfully compete in the maturing Indian automotive industry. Main domestic competitors are Tata Motors, Maruti-Suzuki, Mahindra and Mahindra, Eicher Motors, Force,

Hindustan Motors, Premier, and Asia Motor Works. Competing non-U.S. brands in the Indian automotive manufacturing market include Hyundai, Suzuki, Mitsubishi, Toyota, BMW, Nissan, Volkswagen, Skoda, Mercedes Benz, Fiat, Renault, and Volvo. As the automotive manufacturing market matures, it is expected that the areas of opportunities for U.S. companies will be in the automotive aftermarket, green technologies and automotive components and accessories. The Indian auto components industry sector has been recording an average annual growth of over 20% in the past few years. According to a McKinsey study, the auto components industry sector has the potential to reach \$40 billion by 2016. Technology-focused products for the original equipment manufacturer segment offer best prospects in the Indian auto components sector. These include gears and components, clutch components, brakes and components, valves, axles, shafts, engine parts, electrical components, suspension, and body building parts. Indian agents and distributors actively seek opportunities to market U.S. technologies in the domestic market.

NEW DELHI

New Delhi is the capital of India, and the seat of the executive, legislative, and judiciary branches of the Government of India. It also serves as the center of the Government of the National Capital Territory of Delhi. New Delhi is situated within the metropolis of Delhi and is one of the eleven districts of Delhi National Capital Territory. The majority of India's car manufacturing industry is based around three clusters to the north, west, and south of New Delhi. Gurgaon and Manesar in Haryana form the northern automotive cluster. The northern automotive cluster located in the National Capital region contributes around 32% of the country's automotive growth. The Society of Indian Automobile Manufacturers and Automotive Component Manufacturers Associations are headquartered in New Delhi.

Pune, MAHARASHTRA

Pune, the State of Maharashtra's second largest city after Mumbai, has been a hub for the engineering industry in India for over five decades. Also known as the Detroit of India, Pune today is one of India's largest auto manufacturing hubs with about 7,000 auto ancillary units in and around Pune. It is home to Tata Motors (developer of the \$2000 car Nano); the world's second largest two-wheeler manufacturer Bajaj Auto; the world's largest forging company, Bharat Forge; and many other leading auto manufacturers, such as Daimler Chrysler, General Motors, John Deere, FIAT, etc. Pune is also home to the Automotive Research Association of India (ARAI), Central Institute of Road Transport (CIRT) and the Vehicle Research and Development Establishment (VRDE). The Pune region has a buzzing auto components industry ranging from innumerable micro to small and medium scale units. The Pune automobile industry landscape includes the 'who's who' of Indian and, increasingly, the leading international automobile industry producers. In 2013, investment inflows of an estimated \$ 6.5 billion were made in Pune in this sector. Simultaneously, approximately \$1.6 billion of investment in the auto ancillary and component manufacturing industry is also expected. While Pune's proximity to Mumbai, accessibility to ports for the entry and exit of raw materials and finished goods, and ease of setting up business have been key drivers of the growth of the auto industry, the large number of institutions of higher learning which support several Industrial Training Institutes have boosted the growth of the auto industry.

CHENNAI, TAMIL NADU

Chennai, formerly known as Madras, is the capital city of the Indian state of Tamil Nadu. Located on the Coromandel Coast off the Bay of Bengal, it is a major commercial, cultural, economic and educational center in South India. The city is base to around 30 percent of India's automobile industry and 40 percent of India's auto components industry. A large number of automotive companies including Hyundai, Renault, Robert Bosch, Nissan Motors, Ashok Leyland, Daimler AG, Caterpillar Inc., Komatsu Limited, Ford, BMW and Mitsubishi have manufacturing plants in Chennai. Chennai accounts for 60% of the country's automotive exports. According to Forbes magazine, Chennai is one of the fastest growing cities in the world and the only Indian city to be rated in the "Forbes-Top 10 Fastest Growing Cities in the World". It is ranked 4th in India for hosting Fortune 500 companies, next only to Mumbai, Delhi and Kolkata.

MISSION GOALS

The goals of the Automotive Trade Mission to India are to provide participants with first-hand market information and one-on-one meetings with business contacts, including potential end users and partners, so that they can position themselves to enter or expand their presence in the automotive cluster cities in India. The mission will focus on helping participants to obtain market information, to establish business and government contacts, to solidify business strategies, and/or to advance specific projects.

The mission also will facilitate first-hand market exposure and access to government decision makers and key private-sector industry contacts, including potential partners. It will provide opportunities for participants to have policy and regulatory framework discussions with

government officials and private sector representatives in order to advance participants' interests in India.

MISSION SCENARIO

The first stop on the mission itinerary is New Delhi, where participants will arrive on Thursday April 24, 2014. The next day, Friday April 25th, the participants will participate in industry briefings, meetings with Government decision makers, one-on-one business meetings, and networking lunch meetings with chamber/associations. A welcome reception for the delegates is scheduled for the evening of April 25, 2014.

On Saturday, April 26th, a half-day site visit to an automobile OEM manufacturing facility is scheduled. Following the site visit, the delegates will start departing Delhi for Pune on the evening of Saturday or early on Sunday April 27th. On Monday morning, April 28th, the delegates' program in Pune will start with a local industry briefing, followed by one-on-one meetings. At noon, there will be a networking luncheon with local businesses and multipliers. After lunch, the one-on-one meetings will continue. A networking reception is scheduled on the evening of April 28, 2014.

On Tuesday morning, April 29th, a half-day site visit to an automobile OEM manufacturing facility in Pune is scheduled. Following the site visit, the delegates will start departing Pune for Chennai. Time permitting, an afternoon site visit in Chennai is proposed, to be followed by a welcome dinner or a networking reception. On Wednesday morning, April 30th, the delegates' program will start with a market briefing, followed by one-on-one meetings. At noon, there will

be a networking luncheon with local businesses and multipliers. After lunch, the one-on-one meetings will continue. The mission concludes after the one-on-one meetings.

PROPOSED TIMETABLE

NEW DELHI	
Thursday April 24, 2014	Arrive in New Delhi
Friday, April 25, 2014	Breakfast briefing by U.S. Embassy Officials Meeting with Government decision makers One-on-one business meetings Networking lunch hosted by a Chamber - TBC One-on-one business meetings continue Welcome reception for Delegates in the evening
Saturday, April 26, 2014	Half a day site visit - TBC
Delhi - Pune	
Saturday, April 26, 2014 or Sunday, April 27, 2014	Following the site visit, delegates plan to depart Delhi for Pune on Saturday or Sunday evening

	PUNE
Monday, April 28, 2014	<p>Breakfast briefing by Consulate/Industry Association</p> <p>One-on-one business meetings</p> <p>Networking lunch hosted by Chamber with local industry representatives - TBC</p> <p>One-on-one business meetings continues</p> <p>Networking reception with Industry contacts</p> <p>Overnight stay in Pune</p>
Tuesday, April 29, 2014	Half a day site visit - TBC
Pune - Chennai	
Tuesday, April 29, 2014	<p>Following the site visit, delegates depart Pune for Chennai</p> <p>Site visit – TBC</p> <p>Welcome dinner for Delegates or</p> <p>Networking reception with Industry contacts</p>
	Chennai
Wednesday, April 30, 2014	<p>Breakfast briefing by the Consulate/Industry Association</p> <p>One-on-one business meetings</p> <p>Networking lunch hosted by Chamber of Commerce and Industry - TBC</p> <p>One-on-one business meetings continues</p> <p>Mission concludes and delegates depart Chennai for U.S. as per</p>

	individual itinerary
--	----------------------

PARTICIPATION REQUIREMENTS

All parties interested in participating in the trade mission must complete and submit an application package for consideration by the U.S. Department of Commerce. All applicants will be evaluated on their ability to meet certain conditions and best satisfy the selection criteria as outlined below. A minimum of 15 and maximum of 20 companies and/or trade associations will be selected from the applicant pool to participate in the mission. U.S. companies and/or trade associations already doing business in or seeking business in India for the first time may apply.

Fees and Expenses:

After a company has been selected to participate on the mission, a payment to the U.S. Department of Commerce in the form of a participation fee is required. The participation fee is \$5500 for large firms and \$5300 for small or medium-sized enterprises (SME)¹ and trade associations. The fee for each additional representative is \$750.

Exclusions:

The mission fee does not include any personal travel expenses such as lodging, most meals, local ground transportation between cities in India, except for ground transportation for official site

¹ An SME is defined as a firm with 500 or fewer employees or that otherwise qualifies as a small business under SBA regulations (see http://www.sba.gov/services/contracting_opportunities/sizestandardtopics/index.html). Parent companies, affiliates, and subsidiaries will be considered when determining business size. The dual pricing reflects the Commercial Service's user fee schedule that became effective May 1, 2008 (see <http://www.export.gov/newsletter/march2008/initiatives.html> for additional information).

visits or as otherwise stated in the proposed timetable, and air transportation from the U.S. to India and return to the U.S. Trade mission participants will, however, be able to take advantage of U.S. Government rates for hotel rooms. Business visas may be required. Government fees and processing expenses to obtain such visas are not included in the mission costs. However, the U.S. Department of Commerce will provide instructions to each participant on the procedures required to obtain necessary business visas.

Conditions for Participation:

Applicants must submit a completed and signed mission application and supplemental application materials, including adequate information on the company's products and/or services, primary market objectives, and goals for participation. If the Department of Commerce receives an incomplete application, the Department may either: reject the application, request additional information/clarification, or take the lack of information into account when evaluating the applications.

Each applicant must also certify that the products and services it seeks to export through the mission are either produced in the United States, or, if not, are marketed under the name of a U.S. firm and have at least fifty-one percent U.S. content. In the case of a trade association or trade organization, the applicant must certify that, for each company to be represented by the trade association or trade organization, the products and services the represented company seeks to export are either produced in the United States, or, if not, marketed under the name of a U.S. firm and have at least 51 % U.S. content.

Selection Criteria for Participation:

The following criteria will be evaluated in selecting participants:

- Suitability of a company's products or services (or, in the case of a trade association or trade organization, represented companies') to the Indian markets.
- Company's (or, in the case of a trade association or trade organization, represented companies') potential for business in India, including likelihood of exports resulting from the mission.
- Consistency of the applicant's goals and objectives with the stated scope of the mission.

Additional factors, such as diversity of company size, type, location, and demographics, may also be considered during the review process.

Referrals from political organizations and any documents, including the application, containing references to partisan political activities (including political contributions) will be removed from an applicant's submission and not considered during the selection process.

TIMEFRAME FOR RECRUITMENT AND APPLICATION

Mission recruitment will be conducted in an open and public manner, including publication in the Federal Register, posting on the Commerce Department trade mission calendar (<http://www.export.gov/trademissions/>) and other Internet web sites, press releases to general and trade media, direct mail, broadcast fax, notices by industry trade associations and other multiplier groups, and publicity at industry meetings, symposia, conferences, and trade shows.

Recruitment for this mission will begin immediately and conclude no later than January 31, 2014. The U.S. Department of Commerce will review applications and make selection decisions beginning February 2014. Applications received after January 31, 2014 will be considered only if space and scheduling constraints permit.

How to Apply:

Applications can be completed on-line at the Trade Mission website or can be obtained by contacting Kellie Holloway Jarman at the U.S. Department of Commerce (see contact details below.) Completed applications should be submitted to Kellie Holloway Jarman.

CONTACTS

U.S. Commercial Service, Export Assistance Center, Portland

Kellie Holloway Jarman, Senior International Trade Specialist
One World Trade Center
121 SW Salmon St., Suite 242
Portland, OR 97204
Tel: +1-503-326-3002
Mobile: +1-503-314-2035
E-mail: kellie.holloway@trade.gov

U.S. Commercial Service India

James P. Golsen, Principal Commercial Officer for South India
U.S. Commercial Service
c/o U.S. Consulate General
220 Anna Salai, Chennai, India 600006
Tel: +91-44-2857-4209
E-mail: james.golsen@trade.gov

Elnora Moye,

Trade Program Assistant.

[FR Doc. 2013-28167 Filed 11/22/2013 at 8:45 am; Publication Date: 11/25/2013]